



2023

CORPORATE RESPONSIBILITY REPORT



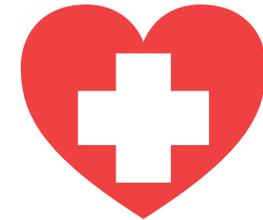
OUR COMMITMENT to corporate responsibility

At Schwan's Company*, we believe the success of our business is linked directly to our commitment to social responsibility and environmental sustainability. We set clear social, economic and environmental objectives for our business and take action to achieve our goals. Our sustainability efforts apply to all Schwan's subsidiaries because we know this work is essential to our future success. To continue our path toward sustainability and to provide economic value to shareholders, we are committed to:

- Researching and implementing methods for reducing the company's impact on the environment.
- Continuously improving the health, wellness and safety attributes of our products, services and operations.
- Making further investments in the general well-being of employees and the communities that contribute to our success.



**ENVIRONMENTAL
SUSTAINABILITY**



**WORKING AND LIVING
RESPONSIBLY**



**GIVING BACK TO
OUR COMMUNITIES**

*Any reference to Schwan's Company (Schwan's) or to the company with respect to trademarks, employees, logos, manufacturing facilities and products is to the subsidiaries of Schwan's.

MESSAGE from our CEO

It's an exciting time to be a member of Schwan's Company. As a part of CJ Cheiljedang Corporation's (CJCJ) family of businesses, we are achieving outstanding growth in the North American market, and we have built a strong foundation to meet our objectives well into the future.

In 2023, we announced the integration of Schwan's Company and CJ Foods USA, another U.S.-based food affiliate of CJCJ. This action significantly expanded our product portfolio in the Asian foods category and added to our manufacturing infrastructure.

Together, as one team, we are winning in the market place, and bringing delicious foods to families everywhere, whether it's with our brands in grocery and club stores or the foods we offer schools, convenience stores, restaurants and other food-service venues.

And while we are laser-focused on achieving our business goals, it's also important to our team that we do so while staying true to our values. Our goal is to operate our company with integrity and as a responsible corporate citizen that gives back to our communities.

In our "2023 Corporate Responsibility Report," you will learn about our efforts to reduce the impact of our operations on the environment and ways in which we are helping the people and communities we serve create a better tomorrow.

Some of the highlights in this year's report include:

- Recycling programs that diverted approximately 24,781 tons of material away from landfills.
- Packaging teams who are working to make dramatic material reductions.
- The opening of a new pizza production facility that prioritizes sustainability and safety — and of course, making pizza!

- A new program designed to assist employees who face specific hardships such as natural disasters.
- Robust charitable giving efforts that focus on youth leadership, building healthier communities and support for organizations that feed people.

We also continue to be proud partners of MBOLD, a coalition of leaders from many of the world's largest food and agricultural companies, as well as leading research institutions. We look forward to supporting the MBOLD team's mission to accelerate progress in sustainability initiatives in areas such as creating a circular economy for flexible film, soil health and water stewardship, catalyzing entrepreneurship in food and agriculture and driving innovation in protein sustainability.

As always, we appreciate the opportunity to share our social responsibility journey with our stakeholders. We value the partnership and feedback we receive through this process. We'll always be guided by our core values and the CJ Management Philosophy as we work to achieve our goals for the benefit of our consumers, customers, employees and communities.

Thanks again for your interest in Schwan's Company.

Sincerely,

Brian Schiegg
Chief Executive Officer
Schwan's Company



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~ Brian Schiegg

COMPANY profile

Schwan's Company, a member of CJ CheilJedang Corporation's family of businesses, is driven to bring delicious foods and reliable services to its customers. Based in Minnesota, Schwan's sells high-quality, great-tasting foods through grocery and club stores, convenience stores, restaurants, schools, universities and just about everywhere people shop and eat. The company produces, markets and distributes foods developed under respected brands such as *Red Baron*®, *Freschetta*®, *Tony's*®, *Hearth & Fire*® and *Big Daddy's*™ pizza, *Mrs. Smith's*® and *Edwards*® desserts, *bibigo*™, *Pagoda*® and *Kahiki*® Asian-style foods and many others.

Our brands are brought to customers through four primary marketing channels:

SCHWAN'S CONSUMER BRANDS

Schwan's Consumer Brands markets and sells fine frozen foods in retail stores throughout North America. Its leading brands include *Red Baron*®, *Hearth & Fire*®, *Tony's*® and *Freschetta*® pizza, *Mrs. Smith's*® and *Edwards*® desserts, and *bibigo*® and *Pagoda*® Asian-style foods. These brands have helped make the company a leader in the frozen-food aisles of retail stores throughout North America.

SCHWAN'S FOOD SERVICE

Schwan's Food Service markets delicious foods to public and private schools, universities, health-care facilities, convenience stores and chain restaurants. Well-established product lines include pizza, Asian-style foods, desserts and sandwiches. With strong brands like *Big Daddy's*™, *Freschetta*®, *Tony's*®, *Edwards*®, *Minh*®, *Villa Prima*®, *Chef One*®, *Twin Marquis*® and *Beacon Street Café*™, Schwan's Food Service is taking the lead in providing product innovation to operators who value quality and service.

CJ FOODS USA'S ETHNIC SALES DIVISION

Our Ethnic Sales team offers a variety of authentic Asian flavors to ethnic retail stores throughout the Americas. The team's product portfolio includes premium foods that are created with the newest technologies and contribute to a tastier and healthier world. Their products can be found under brands such as *bibigo*™ and *Twin Marquis*® foods, as well as an array of imported offerings.

STRATEGIC PARTNER SOLUTIONS

The company's Strategic Partner Solutions team makes foods for private-label customers and provides production solutions to external business partners who have the need for delicious foods and reliable packaging. The team's expertise lies in product categories such as pizza, ice cream, pies, snacks and appetizers, beverages, sauces and aluminum packaging.



OUR CULTURE and heritage



CJ MANAGEMENT PHILOSOPHY

MISSION

**CONTRIBUTING
TO THE GLOBAL COMMUNITY
BY PROVIDING THE BEST VALUE
WITH OUR ONLYONE
PRODUCTS AND SERVICES**

VISION

**GLOBAL LIFESTYLE COMPANY
INSPIRING A NEW LIFE OF
HEALTH, HAPPINESS, AND
CONVENIENCE**

CORE VALUES



PRINCIPLES

INTEGRITY · PASSION · CREATIVITY · RESPECT

ABOUT CJ CHEILJEDANG CORPORATION

In 2019, Schwan's Company became a subsidiary of CJ CheilJedang Corporation(CJ CJ). CJ CJ is the No. 1 food company in South Korea and has a growing global presence. You can learn more about CJ CJ and its corporate responsibility efforts at www.cj.co.kr.



OUR HERITAGE

Schwan's Company was founded in 1952 in Marshall, Minnesota, by 23-year-old Marvin Schwan.

Marvin, along with his parents, operated a local dairy that was struggling for survival amid government dairy-price controls. To find a way to make his business survive, Marvin packed ice cream in dry ice, loaded it into a road-weary 1946 Dodge panel van and set out to visit rural customers in southwestern Minnesota.

By the end of the day, he had sold all 14 gallons of his ice cream and formulated the business model that would grow his company into a leader in the frozen-food industry.

Today, Marvin's businesses continue to thrive. Schwan's Company was acquired by CJ CheilJedang Corporation in 2019 and continues to provide delicious foods and strong brands to retail stores and food-service venues.

Additionally, Marvin's former home-delivery business now operates independently from Schwan's Company under separate ownership and management.

COMPANY facts

Founded: **MARCH 18, 1952**

Web Address: **SCHWANSCOMPANY.COM**

Employees: approx. **8,500**

18 
MANUFACTURING FACILITIES IN THE U.S. 

 **STATE-OF-THE-ART R&D FACILITY**
 **SCHWAN'S CHEF COLLECTIVE** 

1M OPERATORS REACHED THROUGH
1,800 FOOD-SERVICE DISTRIBUTORS 

APPROXIMATELY
610 
DSD TRUCKS

MORE THAN
50 FOOD PRODUCTION LINES 

#1 IN SCHOOL PIZZA 

#1 
IN PIES 

#1  
U.S. FROZEN PIZZA BRAND

REACH  IN STORES
CONSUMERS  FOOD-SERVICE

SIMPLICITY INITIATIVE 
COMMITTED TO CLEAN LABELS

DELIVER DIRECTLY TO
20,000 
STORES ANNUALLY

#1 
IN ASIAN SNACK CATEGORY

ENVIRONMENTAL sustainability

At Schwan's Company, we take seriously our responsibility to reduce our environmental impact. Our teams are committed to working together to continuously improve our operations for the benefit of our communities and our businesses.

In 2023, our environmental sustainability efforts focused on three areas: energy usage in our facilities and on the road, waste management, and reducing the amount of packaging material used to protect our foods.





DRIVING EFFICIENCY on the road

At Schwan's Company, we have a passion for making delicious foods and bringing them to our customers at grocery and club stores, schools, restaurants, convenience stores and nearly everywhere people like to eat.

In 2023, we operated food production facilities in 18 locations throughout the United States. To efficiently transport finished goods from our facilities to our customers, our teams used a diverse set of transportation methods, including long-haul and medium-duty trucks as well as railway services.

Schwan's Consumer Brands, a Schwan's Company subsidiary that focuses on marketing and selling foods to thousands of retail stores, operates a direct-store-delivery fleet made up of more than 600 diesel-powered vehicles.

This year our direct-store-delivery fleet became more efficient through continued driver-education efforts and technological advancements. Efforts led to

improvements in both miles per gallon used and idle time. The average miles per gallon for the fleet reached 10.7, while idle time was at 14%. This brought us very close to our goal of averaging 11 miles per gallon and 13.9% idle time.

One project that has driven fuel efficiency improvements in our fleet has been efforts to replace older trucks with newer vehicles that feature more efficient engines and transmissions. The company added 34 more efficient trucks in 2023, leading to a 20,000-gallon reduction in fuel usage for the year.

In other efforts, our teams also stressed the importance of reducing idle time to eliminate wasted fuel. The company in recent years has added idle shutdown timers to all of its vehicles. The timers shut a truck down after five minutes of idle time.

The team is also adding a smaller truck to the fleet. The gross vehicle weight of the new truck is 25,999 pounds versus 33,000 pounds and has been tested

to run at 13.2 miles per gallon. Implementing the new truck over time will help us achieve our goals and drive improvements in fuel efficiency.

LONG-HAUL TRANSPORTATION

Employees with SFC Global Supply Chain — the manufacturing, transportation and logistics arm of Schwan's — also work to continuously improve efficiency.

For long-haul shipments, rather than relying primarily on a private fleet of long-haul trucks, the company has developed a dedicated continuous moves program using third-party trucking partners and also uses one-way intermodal and over-the-road transportation.

In our dedicated continuous moves program, we have access to 180 semitrucks and trailers through our third-party transportation partners. These trucks are coordinated in a way that minimizes the amount of time trucks spend hauling empty loads (also known as deadhead). In 2023, our average deadhead was 26.8% due to a rapidly expanding Schwan's network; however, we delivered improvements throughout the year. Our goal in 2024 is to achieve 21.49% deadhead or less while also improving cost.

The company also uses intermodal transportation. In this system, the company uses a combination of railroad transportation and third-party trucking firms to transport products in shipping containers. We used the intermodal system for 22 shipments in 2023 and continue to look for opportunities to gain efficiencies by increasing our use of intermodal transportation.

In 2023, we also operated a small private long-haul fleet for shipments in specific regional markets. The fleet consists of five vehicles. We have taken the following steps in recent years to improve fuel economy and safety in its long-haul fleet:

- Implemented electric engine governors to limit the max speed of the company's semis.
- Invested in telematics systems that provide key performance indicators in real time. The systems lead to driver coaching opportunities and ensures systems run at peak performance.
- The team continues to install aerodynamic components on all its semitrailers to help reduce wind resistance and increase fuel efficiency.



DELIVERING EFFICIENCY in our facilities

At Schwan's Company, we strive to continuously improve energy and water usage in our facilities. At corporate offices in Marshall, Minnesota, crews in recent years have pursued several energy-saving projects such as installing LED lighting and better heating, ventilation and air-conditioning systems.

In 2023, we were able to reduce our energy consumption at corporate offices in Marshall, Minnesota, by 9%. This was achieved through better space management at the company's largest office building.

Facility teams also closely monitored water usage at corporate facilities. Through better lawn management programs and facility maintenance, the company reduced water usage by 500,000 gallons from 2022 to 2023.

OUR PRODUCTION FACILITIES

For SFC Global Supply Chain, the manufacturing, logistics and transportation arm of the company, the team continues to work to improve in the area of environmental impact.

One method teams are using to achieve this is by designing sustainability into new facilities and equipment. This year, the company opened a brand new 400,000-square-foot expansion at our pizza production facility in Salina, Kansas. The new building includes energy efficient LED light fixtures, closed-loop cleaning systems that reduce water usage and modern boiler systems that reduce natural gas usage. As a part of the project, the company is also partnering with Evergy Energy to identify

efficiency and sustainability programs. One initiative that has already emerged is a 20-year agreement for Schwan's to purchase renewable wind energy from Soldier Creek Wind Farm in Kansas. This energy is being used at the new facility and plans are in place to expand its usage to other facilities on campus.

The new expansion has also been designed with an industry-leading HVAC system that is safety-focused, more efficient and more sustainable. Our new system consolidates ammonia refrigeration to a centralized area in the facility. The ammonia is used to cool propylene glycol. The glycol, which is safer than ammonia if a leak should occur, is then distributed throughout the facility to all air-handling units. This new system runs more efficiently and greatly reduces the potential for ammonia leaks within the building. The system also runs free from any ozone depleting chlorofluorocarbons.

The company continues to work to continuously improve energy and water usage at its other manufacturing facilities as well. Some of the projects in 2023 have included:

- The installation of oil filtration systems on ammonia compressors at our facilities in Florence, Kentucky and Stilwell, Oklahoma. By installing the systems, the company will be able to reduce the amount of oil used at the two production facilities. The systems also potentially could help equipment last longer and run more efficiently.
- Our facility in Fullerton, California, implemented a battery system in 2017 to save electricity. The battery system accumulates electricity at night when consumption is low and dispatches extra power in the day during peak usage.
- We replaced ammonia evaporative condensers at facilities located in Pasadena, Texas, and Marshall, Minnesota. Replacing the condensers in Pasadena helped us become more efficient with chemically treated water, water treatment chemicals and electrical usage. In Marshall, the new condensers are much more energy efficient.
- Across many of our facilities, we upgraded our water treatment controllers to improve chemical usage. The projects are reducing chemical costs and are expected to increase equipment life.
- We invested in employee training at our facilities in Pasadena and Deer Park, Texas, Stilwell, Oklahoma, and Fargo, North Dakota, on the operation of refrigeration systems. This is expected to increase

awareness and ultimately lead to efficiency improvements.

- Our pizza team in Erie, Pennsylvania, replaced 225 lights with new LED systems. The change is expected to deliver more than \$3,100 in energy savings each month.
- Our pizza team in Salina, Kansas, implemented a new flow meter and pump system for cooking oils that coat pizza pans. The system is expected to deliver anywhere from 17% to 62% reductions in oil usage, depending on the product line.
- We partnered with a third-party vendor to conduct onsite utility assessments at our facilities in Houston, Texas and Salina, Kansas. The reviews will provide us with information to develop a plan for operational-improvement, cost-saving and energy-saving projects.

RECYCLING

Schwan's Company has had recycling programs in place for several years. In 2023, approximately *24,781 tons of material were recycled.

Of that, 13,110 tons of material consisted of old corrugated cardboard, plastic, steel, aluminum and paper products. According to Republic Services, recycling these materials is the equivalent of:

- Saving more than 61 million kilowatt hours of electricity.
- Saving more than 4.1 million gallons of oil.
- Saving 97,702 cubic yards of landfill space.
- Saving more than 71 million gallons of water.
- Saving 173,242 mature trees.
- Reducing greenhouse gases by 32,406 metric tons.
- Saving more than 1.1 million gallons of gasoline.

Additionally, Schwan's subsidiaries recycled 11,670 tons of food waste, cooking oil, waste water and electronics through other recycling partnerships.

In total, we have diverted nearly 63 percent from landfills through our recycling programs.

* Figures do not yet include material from facilities integrated into the company in 2023.



OUR APPROACH to packaging

Product packaging serves many important functions in the packaged consumer goods industry. It's used to communicate to consumers and serves the vital role of protecting foods during the distribution, storage and selling process.

For many years, we have maintained a thoughtful campaign to review the packaging of our products and determine where we could be more efficient, use more sustainable materials and maintain the quality of our products at the same time. Over the past five years, we have reduced packaging by approximately 3,537 tons.

In 2023, we made further progress in this program, reducing the amount of packaging necessary for our products by approximately 898 tons. This improvement came from a broad range of projects that impacted materials ranging from plastic film to various paper and corrugated cardboards. As an example, we adjusted the carton size for our *Freschetta*® and *Sabatasso*® gluten-free pizzas. This project, along with the removal of a cardboard circle that once supported the pizzas, resulted in the elimination of 483 tons of cardboard.

In 2023, we made further progress in this program, reducing the amount of packaging necessary for our products by approximately 898 tons.

In another project, it was determined that cartons were no longer necessary for certain egg rolls sold in the food-service industry. This project led to the elimination of 101 tons of material.

Our company has also made it a goal to ensure the fiber-based boxes used on foods manufactured internally are certified with the Sustainable Forestry Initiative. SFI is an independent, non-profit organization dedicated to promoting sustainable forest management. In 2023, 100 percent of our paperboard materials and 98 percent of our corrugated materials were SFI certified.

CONTINUING OUR MEMBERSHIP WITH MBOLD

In 2023, Schwan's Company continued its membership with MBOLD, a coalition of leaders from many of the world's largest food and agriculture companies as well as key research institutions.

MBOLD publicly launched in 2020 and is focused on accelerating solutions to some of today's most pressing challenges in the food and agriculture sectors.

As a part of the group, one of Schwan's Company's key focus areas has been on MBOLD's priority of developing a circular economy for flexible packaging film.

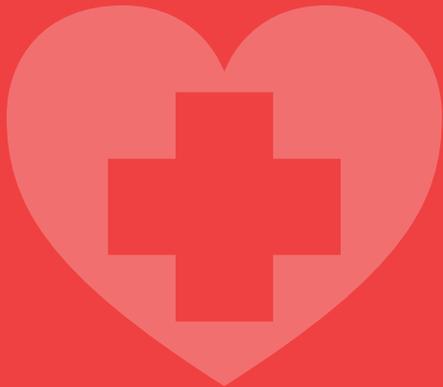
Massive amounts of flexible film packaging are used every year, but in the United States, only about 5% of the material is recycled. As a part of MBOLD, Schwan's remains committed to playing an essential role in changing this by fueling the development of a circular economy for packaging films in the Upper Midwest region of the United States.

Other MBOLD priorities include:

- **Catalyzing entrepreneurship in Food & Ag.** MBOLD is bringing together the disruptive thinking of entrepreneurs and innovators from around the world with the acumen and reach of large global companies to drive solutions to today's major challenges.
- **Driving innovation in protein sustainability.** Protein is an essential part of the human diet but protein production has a significant impact on the environment. Improving the sustainability of existing proteins and scaling up new options is key to our climate future and to meeting the dietary needs of a growing population.
- **Soil health and water stewardship.** As climate change continues to strain the natural resources that nourish our world, MBOLD is working to develop more regenerative and resilient agriculture systems that build soil health, protect water resources and diversify farm incomes.

WORKING AND LIVING responsibly

At Schwan's Company, integrity is at the cornerstone of everything we do. Whether it's with the foods we make, our safety programs or our employee health-and-wellness initiatives, we always strive to do the right thing regardless of the cost or consequences.





serving in the pizzas and handheld products we sell in U.S. retail stores by approximately 10 percent since 2015.

At Schwan's, we also have a 48-year legacy of working with school food-service leaders, nutrition experts and national decision makers to continuously improve the nutrition and selection of our foods. Our child nutrition portfolio — which includes pizza, sandwiches, breakfast items and Asian-style foods — meets and exceeds national school meal standards for both breakfast and lunch. We introduced our *Chef One*® Chicken and Vegetable Dumpling with a whole wheat wrapper to schools in 2022, and we followed that up with a vegetarian version of this item in 2023.

When we can, we also look for opportunities to meet the special needs of our consumers. For years, we have offered grocery and club-store consumers delicious pizzas that are certified gluten free. Our gluten free pizzas are available in stores under the *Freschetta*® and *Sabatasso's*® brands. And now, as a result of being a part of CJ CheilJedang, we also have select items in our portfolio with organic or vegetarian options as well as chicken products that meet the “no antibiotics ever” standard.

PASSIONATE about food

At Schwan's Company, we are passionate about making delicious, high-quality foods that people love and feel good about serving to their families. To make sure we continue to exceed our consumers' expectations, our talented culinary professionals and food scientists help guide our efforts to create global flavors and delicious cuisine.

In 2023, our product lines expanded significantly as a part of our integration with other U.S.-based affiliates of CJ CheilJedang. We are now not only a company leading in major categories such as frozen pizza and desserts, but we've become a leading player in the U.S. market for a large variety of Korean and other Asian-style foods.

The integration led to the addition of five food

production facilities focused on making foods such as dumplings, noodles, egg and spring rolls, rice, seaweed, Korean chicken and ready meals. We also acquired California-based Cosmos Foods Co. in 2023 to expand our capabilities in the North American kimchi market.

While the flavors and overall consumer experience will always be a priority with our foods, we also make it our goal to continuously improve in the area of health and wellness. We are committed to using the “Dietary Guidelines for Americans” to assist us in the development of our recipes. We frequently review our products in an effort to make reductions in areas such as sodium, saturated fat and added sugars. For example, we have reduced the average sodium per



OUR JOURNEY in safety

At Schwan's Company, safety is a top priority, and we are committed to building a strong culture that ensures all employees go home in the same shape as when they came to work.

We have made good progress in this area over the last three years, achieving a *29% improvement in OSHA recordable incidents. In 2023 alone, we delivered a 16% improvement in OSHA recordable incidents.

Even though we are showing a good trend of improvement in our safety programs, we know we have a lot more work to do to achieve our ultimate goal of zero incidents. Another area of focus for our safety initiatives are reducing the number of preventable motor vehicle accidents. Over the past three years, we saw a *2% increase in these occurrences, and we have active plans in place to regain our momentum in this area.

We will continue to make progress by focusing on safety leadership, setting expectations and accountabilities, and encouraging broad engagement by employees at every level.

As part of our safety culture, we follow four basic principles, including:

- **WORKING SAFELY IS A CONDITION OF EMPLOYMENT.**
- **EVERYONE IS RESPONSIBLE FOR PREVENTING ACCIDENTS AND INJURIES.**
- **ALL ACCIDENTS AND INJURIES CAN BE PREVENTED.**
- **EMPLOYEES HAVE THE RIGHT TO STOP UNSAFE WORK.**

**Figures do not include statistics from manufacturing facilities integrated in 2023.*



ACHIEVEMENTS IN SAFETY

In 2023, Andrew "Andy" Nokes, a customer sales representative with Schwan's Consumer Brands, was honored as a Driver All Star by the National Private Truck Council.

The National Driver All-Star awards are presented annually by NPTC to drivers who have demonstrated high performance standards against their peer drivers throughout the country based on customer service, safety, adherence to company standards, regulatory compliance and community service.

"I'm delighted to see Andy receive national recognition as a national driver All-Star," said Schwan's Vice President DSD & Distributors Rob Schulz. "As a Schwan's STAR driver, he demonstrates to all of us, and to the transportation and distribution industry, that Schwan's drivers are the best in the business."

Andy is responsible for a grocery route in the Kearney, Nebraska, area. He has worked for the company for 16 years.

On top of Andy's recognition, 35 of our direct-store-delivery facilities were also honored for their safety performance at the National Private Truck Council's annual conference.

GUIDING PRINCIPLES FOR SAFETY

WORKING SAFELY IS A CONDITION OF EMPLOYMENT

EVERYONE IS RESPONSIBLE FOR PREVENTING ACCIDENTS AND INJURIES

ALL ACCIDENTS AND INJURIES CAN BE PREVENTED

EMPLOYEES HAVE THE RIGHT TO STOP UNSAFE WORK

Health SAFETY

Our ultimate goal of ZERO accidents and ZERO injuries requires everyone to work safely at all times. Continual improvement will help us reach this goal.



EMPLOYEE health and wellness

Health and wellness remains an important part of our culture at Schwan's Company. We have long-standing strategies in place to benefit the physical, mental, social and financial health of our team members. The company makes important resources available to employees, including: employee assistance services, online tools that help track physical activity and health-coaching programs.

In 2023, we also offered health-plan members a no-cost solution for managing their own health. To do so, the company partnered with KnovaSolutions, a clinical prevention service that provides decision support for employees and their families.

The program offers expert clinical staff that will help people understand medical issues, provide wellness advice and healthy lifestyle support, and make referrals to other programs.

Members who graduated from the program at Schwan's have reported the following results:

- 63% saw an improvement in health and wellbeing.
- 34% reported a reduction in the use of healthcare services.
- 32% said they had improved mental health.
- 47% reported an adjustment in their treatment path.

WHAT'S NEW

In October 2023, we rolled out two new programs that are free to eligible employees: Sword and Bloom.

Sword is a digital physical therapy program that provides treatment for all musculoskeletal issues, including back, shoulders, neck, hips, knees, elbows, ankles and wrists. The program matches employees with a physical therapist who will design a customized program for specific needs.

Bloom is a digital pelvic therapy solution for

women in all stages of life including pregnancy, postpartum and menopause. The program provides real-time information and coaching on pelvic exercises to improve a participant's lifestyle and manage pelvic-related pain.

In addition to these programs, the company also offers:

- Cariloop — a caregiver support benefit that provides unlimited and personalized programs for a variety of life issues.
- Life Matters — a family and life support program, including mental health services.
- Included Health — a complex care and second-opinion service.
- Teladoc Health — a diabetes, high blood pressure and weight management and prevention program.

RESPONSIBLE SOURCING

and expectations of integrity

Schwan's Company strives to be a responsible steward of the environment, and we expect the same from our suppliers. We seek business partners who comply with all laws and share our commitment to using resources responsibly. In accordance with our "Standards of Conduct for Business Partners," we expect our suppliers to behave ethically, set goals for eliminating and reducing waste and maintain production facilities that address community, environmental and social needs.

COMMITTED TO ANIMAL WELFARE

We expect all livestock producers, handlers and processors to provide safe and humane treatment for the animals within their care. We do not raise or handle livestock; however, as a food company we are committed to protecting animals from unnecessary suffering by working with our suppliers to ensure animal-handling practices meet the highest industry standards and all federal and state livestock regulations.

All suppliers of Schwan's Company must be aligned with the fundamental values expressed in the internationally acknowledged Five Freedoms of Animal Welfare. The Five Freedoms are:

- **FREEDOM FROM HUNGER AND THIRST** by ensuring ready access to fresh water and a diet that maintains health and vigor.
- **FREEDOM FROM DISCOMFORT** by providing an appropriate environment including shelter and a comfortable resting area.
- **FREEDOM FROM PAIN, INJURY OR DISEASE** by prevention or rapid diagnosis of an injury or illness and treatment.
- **FREEDOM TO EXPRESS NORMAL BEHAVIOR** by providing sufficient space, proper facilities and company of the animal's

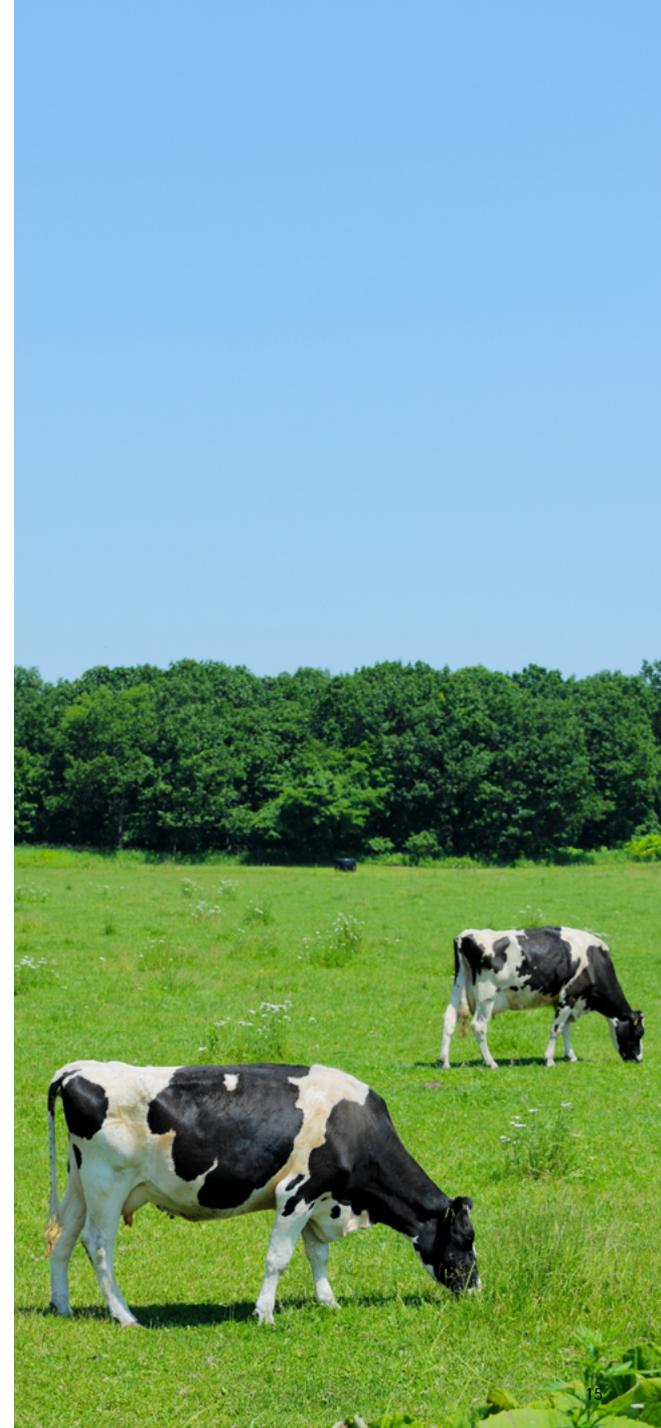
own kind.

- **FREEDOM FROM FEAR AND DISTRESS** by ensuring conditions and treatment which avoid mental suffering.

Ultimately, our goal is to create a supply chain that adheres to and champions these fundamental behaviors of animal care and husbandry. It is our commitment to review and work with our supply chain to ensure the safest, best environment feasible for animal welfare because it is consistent with our core beliefs and it is the right thing to do.

Here's our approach and commitments to specific animal-welfare issues:

- **Cage-free eggs.** Eggs are not a significant ingredient in most products we make. In 2023, less than 2% of our products contained eggs or egg byproducts. Additionally, as a percentage of our total annual spending on ingredients used to make our foods, eggs represented less than 0.5%. However, as part of a broader commitment toward sustainable sourcing, we are working to achieve cage-free eggs in all foods that contain more than 5 percent eggs by weight by the end of 2025, pending market availability. In 2023, approximately 14 percent of the liquid and ingredient egg products in our supply chain were cage free. Our progress has been hindered in recent years by challenges within the egg industry; however, we remain committed to achieving our goal. Our success remains dependent on our suppliers' ability to source cage-free eggs.
- **Pregnant sow housing.** We recognize the industry is focusing on continuous improvement of pig operations. We are working with our pork suppliers to find alternatives to gestation crates and help ensure the safety of workers and the



comfort and safety of animals. We also require our suppliers to follow standards set by the American Veterinary Medical Association (AVMA).

- **Humane handling.** Schwan's, along with our dairy suppliers, has a long-standing commitment to ensure that the best care is provided to animals at all times. When procedures such as dehorning or tipping are used to ensure the safety of other animals and farmers, we expect our suppliers to follow best practices established by groups such as AVMA.

SOURCING OUR INGREDIENTS AND MATERIALS RESPONSIBLY

At Schwan's, our goal is to responsibly source the ingredients and materials required to make and transport our foods to our customers. Here are

some of our efforts:

- **Packaging.** We have developed a comprehensive packaging program over the last several years with the Sustainable Forestry Initiative, which promotes sustainable forest management in North America and responsible procurement of forest products around the world. Currently, about 98 percent of our corrugate materials and 100 percent of our paperboard materials are SFI certified.
- **Palm oil.** As a member of the Round Table on Sustainable Palm Oil and in conjunction with our supply partners, we have access to multiple programs to ensure palm oil is sourced in a manner to meet our customers' specific needs.
- **Fair trade.** At Schwan's, we work with our

supplier base to ensure they follow the fundamental nature of the "10 Principles of Fair Trade" as published by the World Fair Trade Organization.

- **Supplier diversity.** Our goal is to provide equal access to procurement opportunities to all qualified vendors, including Minority- and Women-Owned Business Enterprises. Our diversity outreach program is designed to locate and inform a diverse list of suppliers of opportunities to partner with our company. We publish opportunities in major newspapers in seven markets throughout the United States, and we have established a central communication point for supplier diversity inquiries at supplierdiversity@schwans.com.



GIVING BACK

to our
communities

At Schwan's Company, we have a legacy of fostering a business culture that supports efforts to make a difference in the communities where we live and work.



CHARITABLE giving

In 2023, leaders at Schwan's Company and the Schwan's Corporate Giving Foundation continued efforts to make a difference in people's lives by supporting organizations that work to eliminate hunger, concentrate on youth leadership and build healthier communities.

Here are some of the organizations we supported this year:

- **More than 1.5 million pounds of food were donated to Feeding America and its affiliated food banks.** Donations were distributed to 45 food banks across 27 states within the U.S. Feeding America is the leading non-profit organization working to end hunger in the United States. In the past 11 years, the company has donated nearly 13.8 million pounds of food and ingredients to Feeding America, and Schwan's Corporate Giving Foundation has granted more than \$1.4 million to affiliated food banks in communities and regions where Schwan's Company employees live and work.
 - **Schwan's Corporate Giving Foundation — a 501(c)(3) private foundation — continued to support scholarships for secondary education to students.** The Schwan's Scholarship Program, which benefits the children of Schwan's subsidiary employees, reflects the foundation's values and encourages young people to achieve academically. In the 10 years it has supported the program, more than 300 students have received scholarships to attend two- and four-year colleges and trade and technical schools.
 - Schwan's Corporate Giving Foundation awarded several grants to help improve
- **Feeding America received a grant of \$155,000** to support programs at 11 member food banks, including: Great Plains Food Bank, Mid-Ohio Food Bank, West Ohio Food Bank, Community Foodbank of New Jersey, Community Food Bank of Eastern Oklahoma, Freestore Foodbank, Houston Food Bank, Kansas Food Bank, Second Harvest Heartland, City Harvest and Second Harvest Food Bank of Northwest Pennsylvania.
 - **More than \$80,000 was awarded to local United Way chapters** in Southwest Minnesota and Shelby County in Ohio. Contributions came from a combination of employee donations and the Schwan's Corporate Giving Foundation.
 - **The second half of a two-year \$150,000 grant was awarded to Youth Farm.** Youth Farm cultivates community leaders by working with young people to plant, grow, prepare and sell the food they grow.
- **Schwan's Food Service made a \$25,000 donation to the School Nutrition Foundation's scholarship program.** This scholarship enables the School Nutrition Foundation to foster good nutrition in school lunch programs and enhance school foodservice management. Scholarships up to \$2,500 each are awarded. Schwan's Food Service has supported the program for more than three decades.

the quality of life in communities where employees of Schwan's subsidiaries live and work. Some of its notable grants this year included:



SCHWAN'S HELPING HANDS FUND

launched to assist team members

At Schwan's Company, our culture and leadership are based on two questions:

- Do you know the people you work with?
- Do you care about them?

To help employees recover more quickly from unexpected hardships, we launched Schwan's Helping Hands Fund in August 2023. The fund is an assistance program designed to help employees affected by certain federal disasters and personal hardships.

"Supporting our team members in a time of critical need is core to our culture," said CEO **Dimitrios Smyrniotis**. "When we see a team member experiencing an unexpected hardship due to a disaster, illness or other emergency, it's our instinct to want to provide emotional, financial and professional support. This is the purpose for our newly created Schwan's Helping Hands Fund."

The Helping Hands Fund was set up initially through donations from the company and its executive

leaders. The fund, which operates independently of Schwan's, is managed by America's Charities, a respected 501(c)3 charitable organization.

Awards of assistance are made on the basis of financial need and the severity and impact of the disaster or other emergency. The flat grant amount for a qualified disaster is \$500 and the maximum grant to an applicant for all qualifying personal hardships is \$1,500.

Qualifying events include federally declared natural disasters, terrorist or military actions, events considered catastrophic by the U.S. Secretary of the Treasury or personal hardships such as local disasters (floods, tornadoes, storms, etc.), short-term personal emergencies that result in a loss of basic needs (like fires or floods) or financial hardships. Events must meet specific definitions under IRS guidelines.

During the four months it was available to employees in 2023, the program approved three grants to employees.



AWARDS AND RECOGNITIONS

The following products, teams and individuals were honored with awards and recognitions in 2023:

- Walmart recognized Schwan's with the "Sparking Change" recognition as a part of its Project Gigaton program. The recognition occurred in 2024 for reporting completed in 2023.
- *Red Baron*® pizza was named "Editor's Choice" in *Consumer Reports*' "Best Frozen Pizzas" article.
- *Hearth & Fire*® pizza was featured as "Best New Frozen Retail Product" by *Refrigerated & Frozen Foods* magazine.
- *bibigo*™ Korean-Style Crunchy Chicken with Orange sauce won "Best Frozen Meal" in *People* magazine's "People Food Awards."
- Schwan's Company was selected as a recipient of the "2023 Southwest Minnesota State University President' Community Partner Award" for a 12-year partnership with the university's exercise science program.
- Edwards Dessert Kitchen, the ultimate dessert destination in Minneapolis, was named by Yelp as one of the top-100 ice cream destinations in the United States.
- Category Management Director **Rachael Peot** and Club Channel Sales Director **Diane D'Angelo** were both recognized as "Rising Stars" in the "Top Women in Grocery" list by *Progressive Grocer*.
- Community Relations Manager **Theresa Zaske** was honored by the United Way of Southwest Minnesota as the "2022 Ambassador of the Year."

THANK YOU

to the following organizations for partnering to
make a difference in our communities ...



United Way
of Southwest Minnesota



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